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REPORT
100-118

PUBLIC BUILDINGS AUTHORIZATION ACT OF 1987

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Mr. BURDICK, from the Committee on Environment and Public Works, submitted the following

REPORT

[To accompany S. 1502]

The Committee on Environment and Public Works reports an original bill (S. 1502) to authorize appropriations for the Public Buildings Service of the General Services Administration for fiscal year 1988 and recommends that the bill do pass.

GENERAL STATEMENT

For the past nine years, the Committee has fulfilled its obligation to authorize appropriations for public buildings projects of the General Services Administration through development and passage of an annual omnibus authorization bill. Prior to adoption of this procedure, the Committee considered projects on an individual basis throughout the year. This practice placed many administrative demands on the Committee and complicated Committee oversight of GSA's Public Buildings Program.

S. 1502, the "Public Buildings Authorization Act of 1987," provides an authorization of $2,933,034,000 to the Public Buildings Service of the General Services Administration for the fiscal year 1988.

The bill contains the following amounts by functional budget categories:

Public Buildings Program, fiscal year 1988

1. Construction and Acquisition	$155,650,000
2. Repair and Alterations	443,945,000
3. Design and Construction Services	115,036,000
4. Leasing	1,191,900,000
5. Real Property Operations	845,384,000

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6. Administration	48,014,000
7. Payment of Principal, Interest and Taxes on Installment Purchase Program	133,105,000

These amounts are identical to those contained in the budget request.

Funds are included for five new projects for site acquisition and/or design. No funds were requested in the budget for construction.

The authorization for design and construction services is an 81 percent increase over the amount authorized in fiscal year 1987. Funding for GSA's design and construction program was greatly reduced last year. Included in this bill is the design of the five new construction projects mentioned above, advance design of projects scheduled for construction in future years, and technical architectural/engineering services in support of other Public Buildings Service (PBS) activities.

Prior to fiscal year 1988, the full estimated cost of design or management and inspection of a project was budgeted in a single year, despite the fact that these funds would be obligated over a two- to three-year period. This budgeting method resulted in large unobligated balances at the end of fiscal years 1985 and 1986. Amounts authorized for design and construction services in 1988 reflect only the estimated obligations to be incurred in that fiscal year for each prospectus-level project.

The bill authorizes a 13 percent increase in GSA's rental budget. This includes $77.1 million in rental rate increases. The leased inventory will increase by 0.3 million square feet to 92.3 million square feet by the end of fiscal year 1988.

Real property operations includes cleaning, protection, payments for utilities, and maintenance of buildings and grounds. The 12 percent increase for this budget item is due in part to the transfer of a nationwide automated data processing information system, which had previously been included in the administrative budget account.

The authorization for administration is 15 percent less than the authorization for fiscal 1987, primarily due to the transfer of the data processing system mentioned above.

The authorization for repairs and alterations is 64 percent higher than the amount authorized for fiscal year 1987. This program provides for basic repairs, health and safety improvements, and vacant space alterations. The increase is due in part to the inclusion of seven projects that were deleted from last year's budget to compensate for a shortfall of $50 million in GSA's rental budget in fiscal 1987.

JUDICIARY OFFICE SPACE REQUIREMENTS

During the Subcommittee hearing on the bill authorizing the GSA budget for fiscal year 1988, the Members heard forceful and persuasive testimony from the Honorable Charles L. Brieant, Jr., Chief Judge of the Southern District Court of New York, speaking for the Judiciary about the problems that the Judiciary is experiencing in obtaining facilities for new judges. In the last ten years, there has been a 50 percent increase in the number of judicial officers. In 1986 Congress authorized 52 new bankruptcy judges. Yet, despite promising discussions between the Director of the Adminis-

trative Office of the U.S. Courts and the Administrator of the General Services Administration, the problem persists.

It is the view of the Committee that the GSA Administrator and the Director of the Administrative Office of the U.S. Courts should jointly explore the desirability of inserting a line item earmarked for the Judiciary in the annual GSA budget for the Public Buildings Service. This line item would represent funds for new construction and repairs and alterations of existing space. This figure should reflect GSA's normal prospectus process and any other appropriate administrative reviews by GSA.

The Committee expects the GSA Administrator to report to the Committee on this matter by October 15, 1987, in time to include such a line item in the fiscal year 1989 budget if that solution is recommended. At that time the Committee wishes to hear from the Administrator and the Courts other suggestions on how GSA and the Judiciary might cooperate more effectively to alleviate this problem.

OAKLAND, CA, FEDERAL BUILDING

Included in this bill is a provision directing the General Services Administration to enter into a "lease-to-purchase" contract for a building in Oakland, California. It had been suggested that GSA should provide new office space in the city of San Francisco. However, studies by both the General Accounting Office and the General Services Administration have found that the Oakland site is the more cost-effective. Correspondence regarding this issue is included in the record of the Committee's hearing on this legislation.

GSA is expected to study the need for Federal office space in San Francisco in accordance with its mandate to monitor Federal office space requirements in all areas of the country.

CONSOLIDATION OF THE NUCLEAR REGULATORY COMMISSION

Consolidation of the offices of the Nuclear Regulatory Commission (NRC) in a single location has been a matter of concern to the Committee for most of the past decade. This objective will be achieved in two new buildings in the White Flint area of Montgomery County, Maryland. The first building was purchased by GSA last year to house approximately 60 percent of NRC personnel. The remainder will be housed in a second, adjoining building to be constructed.

The Committee is concerned, however, that preparation of the first building for NRC occupancy has been delayed beyond the original date of December, 1986. The current schedule shows that GSA will have the building ready for NRC to move in during November and December of this year.

During a hearing on the Public Buildings Authorization Act, Administrator Golden committed GSA to meeting this target so that NRC components can fully occupy the first new building before the end of 1987. The Committee appreciates Mr. Golden's commitment to this project and expects GSA to take such actions as necessary to assure that this schedule is maintained.

CAMDEN COURTHOUSE—POST OFFICE ANNEX

The Committee has authorized $300,000 for site acquisition for an annex to the U.S. Courthouse-Post Office in Camden, New Jersey. The Committee expects the General Services Administration to work cooperatively with the City of Camden in this effort. GSA also requested $1,186,000 for design of this facility in fiscal year 1988. The Committee expects GSA to devote the necessary funds, as authorized for design and construction services, to the design of this project.

ENVIRONMENTAL PROTECTION AGENCY AND DEPARTMENT OF TRANSPORTATION OFFICE BUILDINGS

The House Appropriations Committee included in the Treasury, Postal Service and General Government appropriations bill for fiscal year 1988 language directing the Administrator of the General Services Administration to acquire office buildings in the Washington, D.C., area for the Department of Transportation and the Environmental Protection Agency. This action was taken at the request of the General Services Administration with neither the knowledge nor consent of the authorizing committees of the House and Senate. The 30-year cost of these lease-to-purchase contracts has been estimated at $3 billion.

The leadership of the Environment and Public Works Committee learned of this development as it considered the budget request of the General Services Administration, which included neither of these proposals. Over the past nine years the Committee has continually stressed to GSA the importance of the Committee's reviewing the public buildings program in a comprehensive, systematic manner. This is impossible when authorizations are sought for massive projects in appropriations acts. During the Committee's hearing on this measure, members expressed to representatives of the General Services Administration their disappointment with the agency's attempts to bypass the authorization process. GSA Administrator Golden stated that no major projects will be undertaken until they have been authorized by the Environment and Public Works Committee.

GENERAL ACCOUNTING OFFICE STUDY

The General Services Administration advised the Congress that the cost of currently leased office space for government operations is anticipated to increase substantially in the next few years. As old leases come up for renewal, the Administrator has predicted that lease costs will rise from $935 million in fiscal year 1987 to over $2 billion by the mid-1990's.

In response to this situation, GSA is exploring or experimenting with a number of new financing techniques to mitigate the budgetary impact of lease cost growth. In fulfilling its oversight responsibilities for GSA operations, the Committee recognizes a need for a comprehensive analysis of the justification for and implementation of these techniques. Therefore, the Committee is requesting that the General Accounting Office undertake a study to examine the following questions:

—How realistic are GSA's projections of increased lease costs?

—How has GSA employed the lease cost increase projections in decisions to implement the new financing techniques in specific localities?

—Do the policies, procedures, and practices of GSA's Building Purchase Program provide adequate direction, control, and safeguards for determining where program funds can most efficiently and effectively be used?

—Does GSA's Building Purchase Program include controls to ensure that buildings considered for purchase meet the needs of federal agencies for quality space and GSA for minimum life cycle operating costs?

—Are GSA's analytical and management resources adequate and appropriately used to evaluate the economic and non-economic pros and cons of alternative financing proposals, such as funding through municipal bonds and other lease-purchase techniques?

—Under what conditions is it more economical or practical for the government to lease space than to own it?

SECTION-BY-SECTION ANALYSIS

Section 2

Section 2 establishes the restriction that no appropriation, including any appropriation from the Federal Building Fund, for the purposes of the bill, i.e., for the Public Buildings Service, is to be made unless it has been authorized by the Congress in accordance with this bill. This binding restriction by the Congress is similar to the provision contained in the Public Buildings Act of 1959 (P.L. 86-249). The subsection adds the further restriction that no appropriation for the Public Buildings Service shall be obligated by GSA unless it has been authorized in accordance with this bill.

Section 3

Section 3(a) states that no public building construction, renovation, alteration, or acquisition is to be commenced unless an appropriation has first been made—in the amount of the estimated cost of the completion of the project—in the fiscal year for which the project is authorized. This provision is consistent with the "full finding" concept of budgeting and applies to all new construction and to all renovation, alteration, and repair projects authorized by sections 4(a) and 4(b) of this legislation.

This policy is consistent with present practice for new construction projects. Appropriations are made for the total estimated cost of completion before the actual construction work begins, even though obligations and outlays may extend over three to five or more years.

The full funding requirement of section 3(a) is not intended to apply to those new construction and repair and alteration projects authorized for design only during fiscal year 1987 pursuant to section 4(c) of this legislation. This requirement will apply to such projects when their construction phase is authorized in a subsequent fiscal year.

Section 3(b) states that in fiscal year 1989 no lease is to be entered into unless contract authority (a special form of budget authority) for the maximum costs of the lease over its entire term

and a commensurate appropriation are provided in the fiscal year for which the lease is authorized.

Under present accounting procedures, each year's new leasing authorization is used by GSA to enter into leases of from one to twenty years, but only the current year's obligation is counted in that authorization. This omission of lease commitments for all future years from both the executive and Congressional budgets grossly understates leasing costs. It skews decisions away from construction and acquisition and introduces a bias in favor of constantly escalating lease commitments.

The bill's restriction that appropriations may be made only in the year for which they are authorized is an important departure from current practice. At present, when a project proposal is submitted to the Committee by GSA, it is not often tied to any funding schedule. Under this practice, projects are authorized without regard to fiscal year limitation, and a backlog of authorized but unfunded projects tends to accumulate.

This bill authorizes appropriations for just one fiscal year. These authorizations are limited in duration. In this respect, the bill authorizes an annual national buildings program, not a series of independent, unrelated projects. Work authorized by the bill but not funded by appropriations for fiscal year 1988 have to be reauthorized in a subsequent year's annual program authorization bill.

Section 4

Section 4 authorizes appropriations from the Federal Buildings Fund in the amount of $2,933,034,000 for fiscal year 1988 for the Public Buildings Service.

Section 4(a) authorizes $155,650,000 for the construction and acquisition of buildings in fiscal year 1988. Descriptions of authorized major projects are as follows:

Michigan, Detroit, Ambassador Bridge Cargo Inspection Facility.....	$3,800,000
Funds are requested for fiscal year 1988 to purchase a site adjacent to the existing U.S. Customs Cargo Inspection Facility. Growing traffic congestion, municipal plans to consolidate importation activities in a single location, and Customs Service plans to modify inspection activities have created a need for major expansion of this facility. Total estimated project cost is $14,271,000.	
New Jersey, Camden, U.S. Post Office-Courthouse Annex.....	300,000
This project provides for the construction of an 82,000 square foot annex on a site to be acquired at the rear of the existing building, to accommodate the foreseeable expansion needs of the U.S. Courts and allow for the consolidation of agencies now in leased space. $300,000 for site acquisition and $1,186,000 for design is authorized for this project in fiscal 1988. Total estimated project cost is $18,008,000.	
Virgin Islands, St. Croix, Federal Building and Courthouse.....	550,000
This project provides for the construction of a 42,000 occupiable square foot Federal building-Courthouse to satisfy the long range needs of the courts and allow the relocation of agencies now in leased space. $550,000 for site acquisition and $548,000 for design is authorized in fiscal year 1988. Total estimated project cost is $8,736,000.	
Small construction projects.....	1,000,000
This sum is authorized for the construction of small projects whose total Federal cost is less than $500,000 per project.	
Building Purchase Program	150,000,000

The building purchase program provides for the purchase of commercial buildings where particularly good opportunities exist and where high rental costs make owning rather than renting economically preferable.

Section 4(b)(1) authorizes $443,945,000 for the repair and alteration of public buildings at the following locations. Each of these projects has a maximum construction cost of $500,000 or more.

Alabama, Birmingham, Federal Building and U.S. Courthouse 3,899,000

This building was constructed in 1921 and extended in 1940. It has a gross area of 180,896 square feet and an occupiable area of 99,578 square feet. The building is listed in the National Register of Historic Places. Space improvements will be made to this structure after completion of construction of a new courthouse on an adjacent site. The work will include upgrading of electrical, communications, and fire safety systems.

California, Fresno, B.F. Sisk Federal Building and U.S. Courthouse. 2,879,000

This building was constructed in 1967. It provides a gross area of 204,479 square feet and an occupiable area of 125,655 square feet. These funds will provide for a third district courtroom, a fourth judge's chambers, and a court library. The project includes alterations for the relocation within the building of the Bureau of Alcohol, Tobacco, and Firearms and the Federal Bureau of Investigation, which will be displaced in order to provide expansion space for the Courts.

California, Los Angeles, Federal Building and U.S. Courthouse..... 10,422,000

The building was constructed in 1965. It has a gross area of 1,219,559 square feet and an occupiable area of 804,757 square feet. Space alterations are necessary to provide courtrooms, chambers and adjunct facilities for 13 judges of the Bankruptcy Court for the Central District of California. The request also includes $2.8 million for removal of asbestos materials and the installation of sprinkler systems. The project was originally included in GSA's FY 1987 budget request, but was deleted by amendment in order to make resources available for mandatory operating requirements.

California, San Francisco, Federal Building and U.S. Courthouse, Phase II..... 16,962,000

This 20-story building was constructed in 1964. It has a gross area of 1,412,287 square feet and an occupiable area of 936,400 square feet. This is the second phase of a project to renovate the entire building. The first phase ($20,000,000) was funded in FY 1987, and the third phase ($18,000,000) will be requested in a future year. Total cost is estimated at $54,962,000. The second phase entails removing and replacing asbestos fireproofing. Space alterations will be completed in conjunction with the asbestos removal. Alterations include ceiling, lighting, carpeting, partitions and painting. Building systems modifications will be completed. An automatic fire sprinkler system will be installed.

District of Columbia Central Heating Plant 15,500,000

This plant was constructed in 1934 and, in conjunction with the West Heating Plant, provides steam and heat to 117 buildings. This project will repair boilers 1 and 2 and install new equipment for feedwater treatment and particulate removal. In addition, PCB filled transformers will be removed and replaced.

District of Columbia, West Heating Plant..... 9,201,000

This plant was constructed in 1948. The project will convert one boiler to multi-fuel capability and modify supporting facilities. These modifications include the installations of a new dry ash removal system, modification of the coal loading facility, and the installation of new particulate removal equipment to meet air quality standards.

District of Columbia, Elevator and Escalator Replacement/Repair... 26,700,000

This project provides for the replacement or upgrading of elevators and escalators in nine federal buildings. The conversion from manual to automatic operation, major repairs to elevators, upgrading of elements to meet current fire and lifesafety codes, and the installation of additional elevators will be accomplished. Existing mechanical vertical transportation systems are antiquated and often out-of-service.

A list of the buildings and estimated costs follows:

Commerce Department	$4,000,000
State Department	2,700,000
General Services Administration Central Office	4,000,000
Lafayette Building	3,600,000
General Accounting Office	1,600,000
Pentagon	4,000,000
Interstate Commerce Commission	2,000,000
Internal Revenue Service	1,800,000
Customs Service	3,000,000

Florida, Miami, Federal Building 11,481,000

This 16-story building was constructed in 1963. It provides a gross area of 290,697 square feet and an occupiable area of 197,891 square feet. This project entails the removal of all asbestos fireproofing in the building and replacing it on all major structural components with a non-asbestos material; installing a fire sprinkler system, firestopping, smoke control system, and a fire alarm voice communication system. In addition, new ceilings, lights, partitions, and floor and window coverings will be installed. This project was originally included in GSA's FY 1987 budget request, but was deleted in the continuing resolution (P.L. 99-591).

Florida, West Palm Beach, Post Office and Vehicle Maintenance Facility 2,900,000

The Post Office and Vehicle Maintenance Facility were built in 1972. The Post Office has 78,355 occupiable square feet of space. This conversion project will increase the occupiable area of Post Office by approximately 2,000 square feet. The Vehicle Maintenance Facility has an occupiable area of 12,304 square feet. This project provides for conversion of the Post Office space to general office space, including appropriate interior finishes and building systems, and conversion of the Vehicle Maintenance Facility to light industrial space. In addition, handicapped facilities will be provided and essential repairs will be made.

Georgia, Atlanta, Federal Annex 2,400,000

This building was constructed in 1934 and was acquired from the U.S. Postal Service by the General Services Administration in 1983. It has a gross area of 314,813 square feet and an occupiable area of 226,290 square feet. It is eligible for listing in the National Register of Historic Places. The building consists of seven floors, including a basement and two mezzanines on the first and second floors. The two mezzanines will be converted to office space, including installation of ceilings; replacing floor coverings; installing electrical and telephone outlets, partitions and doors; and providing a heating, ventilating and air conditioning system. This conversion will transform vacant space into 52,600 occupiable square feet of office space to house Federal agencies presently located in leased space.

Georgia, East Point, Federal Archives and Records Center 1,102,000

The facility was built in 1946 and has been extended twice. It provides an occupiable area of 226,981 square feet and a gross area of 273,579 square feet. This project proposes renovations to the one-story structure in order to meet life and fire safety code requirements. Included in the project will be improvements to the sprinkler system and installation of fireproof support columns, additional fire doors, additional exit doors, and a fire-rated wall covering over bay separations.

Illinois, Chicago, Everett M. Dirksen Federal Building and U.S. Courthouse 7,334,000

This 31-story building was built in 1964. It provides an occupiable area of 786,825 and has a gross area of 1,838,578 square feet. The purpose of this project is to relocate the Bankruptcy Court in order to provide expansion for the District Courts. The renovations also include asbestos abatement measures.

Illinois, East St. Louis, Federal Building and U.S. Courthouse..... 3,762,000

This is an historic building originally constructed in 1907 and extended in 1916. The four-story limestone and brick structure has an occupiable area of 27,888 square feet and a gross area of 58,793 square feet. This project will upgrade the heating, ventilating, and air-conditioning system and the plumbing and electrical systems. The existing office space will be upgraded and fire safety items will be installed. This project was included in GSA's FY 1987 budget request but was deleted in the continuing resolution.

Iowa, Des Moines, Federal Building..... 1,300,000

The building was constructed in 1968. It has ten stories and a basement and contains 359,466 gross square feet and 248,529 square feet of occupiable space. This project provides for the installation of a sprinkler system throughout the building.

Louisiana, New Orleans, F. Edward Hebert Federal Building 12,525,000

The building was constructed in 1940 and has a gross area of 250,079 square feet and an occupiable area of 150,000 square feet. The mechanical, electrical, plumbing and elevator systems will be upgraded. Fire sprinklers and an emergency generator will be installed. Asbestos pipe insulation will be removed. This project was originally included in GSA FY 1987 budget request but was deleted in order to make resources available for mandatory operating budget requirements.

Maryland, Baltimore, U.S. Appraisers Stores..... 2,668,000

This eight-story building was constructed in 1934. It has an occupiable area of 85,000 square feet and a gross area of 124,000 square feet. Vacant space will be upgraded in order to relocate agencies from leased space and from the Fallon Federal Building. Alterations will include installation of suspended ceilings, fluorscent lighting, partitions, and new flooring. GSA plans to renovate the Fallon Building; relocation of agencies into the Appraisers Stores building will reduce the amount of leased space required during the renovation.

Maryland, Bethesda Federal Building..... 700,000

This building was constructed in 1964 and has 14 levels. It has an occupiable area of 101,935 square feet and a gross area of 134,610 square feet. This project entails the installation of an automatic sprinkler system.

Massachusetts, Boston, John W. McCormack Post Office and Courthouse..... 2,200,000

This 22-story building was constructed in 1933 and has an occupiable area of 388,132 square feet and a gross area of 664,660 square feet. The primary tenants are the U.S. Courts and related agencies of the Department of Justice. This building is eligible for listing on the National Register of Historic Places. This project for the U.S. Courts will provide courtroom facilities and mechanical and partition alterations for three current judges.

Missouri, St. Louis, Mart Federal Building 28,964,000

This building, constructed in 1931 as a Merchandise Mart, was purchased by the Government in 1960. It has an occupiable area of 757,000 square feet and a gross area of 1,100,000 square feet (excluding an eight-story tower section). The building is more than 50 percent vacant. This is the final phase of a two-phase project estimated to cost $48,964,000. A complete renovation of the building, except for the tower, is to be accomplished. The work will include office space finishes, such as ceilings, lights, flooring and partitions. New mechanical, electrical, plumbing and elevator systems will be installed. The roof and windows will be replaced, and the exterior walls will be repaired. Fire and safety improvements will be completed, which include the installation of a sprinkler system, fire alarm, fire doors, and partitions.

Missouri, St. Louis, Federal Center Building 104 8,983,000

This two-story building was constructed in 1942 as an ammunition manufacturing plant and was acquired by GSA in 1966 when it was declared excess property by the Department of Defense. It has a gross area of 325,078 square feet and an occupiable area of 294,885 square feet. The facility is now used for Veterans Administration national records storage and supporting offices. These alterations will enable the VA to consolidate its records storage operations on the first floor of the building. The second floor will be converted to office space to consolidate the Army Material Command, which is now scattered in many buildings in the Federal Center. The project also provides for the installation of fire safety equipment, the upgrading of the elevator system, and improvements in order to provide greater accessibility for the handicapped.

New Jersey, Trenton, Post Office and U.S. Courthouse 2,823,000

This five-story building was constructed in 1932. It has a gross area of 167,000 square feet and provides an occupiable area of 109,369 square feet. The 14,464 square feet of space vacated by the Postal Service is to be converted into general office space with a receiving and storage area. Deteriorated windows will be replaced, a fire sprinkler system will be installed, and an additional stairwell will be provided. This project was originally included in GSA's FY 1987 budget request but was deleted in the FY 1987 continuing resolution.

New York, Brooklyn, Federal Building No. 2 11,472,000

This eight-story building was constructed in 1918 and was acquired by GSA in 1961. It has an occupiable area of 920,742 square feet and a gross area of 1,190,419 square feet. Completion of this project will provide for the relocation of agencies from Building No. 1, which will be excessed. Renovations to Building No. 2 include facade restoration; water tank replacement; elevator modernization; and heating, ventilating, air-conditioning, electrical and telecommunications systems improvements. This project was originally included in GSA's FY 1987 budget request but was deleted by amendment in order to make resources available for mandatory operating budget requirements.

New York, New York, Foley Square, U.S. Courthouse 4,655,000

This building was constructed in 1936. It has a gross area of 610,988 square feet and an occupiable area of 313,311 square feet. The project provides for the rehabilitation of restrooms, including facilities for the handicapped, and refinishing of courtrooms. A low-rise passenger elevator will be installed, and three additional courtrooms, chambers and support facilities will be constructed.

New York, New York, Federal Building 14,475,000

The building was constructed in 1929 and has an occupiable area of 721,066 square feet and a gross area of 962,866 square feet. The purpose of the project is to complete the upgrading of building systems and office space and to convert warehouse space to office space. The work will include security and fire safety items; roof replacement; elevator installation; telephone and electric outlets installation; and the installation of facilities for the handicapped. Equipment will be removed from two inactive laboratories in order to create office space.

North Carolina, Raleigh, Federal Building, Post Office and Courthouse 9,640,000

This facility was constructed in 1966 and consists of a nine-story office tower, a basement, and an adjoining two-story postal facility. The building contains an occupiable area of 256,033 square feet and a gross area of 361,720 square feet. The project provides for the removal of friable asbestos fireproofing material from the building structural components and its replacement with non-asbestos material. A sprinkler system will be installed.

Pennsylvania, Philadelphia, James A. Byrne Courthouse 6,875,000

This 22-story building was constructed in 1975. It is located in the Historic District of Philadelphia and has an occupiable area of 426,560 square feet and a gross area of 785,850 square feet. This project will provide for additional facilities for six District Courtrooms and ancillary facilities; four District Chambers; the relocation and expansion of the Circuit Court library and related office space; expansion space and facilities for the U.S. Bankruptcy Court; and relocation of the law library.

Pennsylvania, Pittsburgh, U.S. Post Office and Courthouse 16,572,000

This monumental 1-story building was constructed in 1934 and is eligible for inclusion in the National Register of Historic Places. It has a gross area of 684,200 square feet and provides an occupiable area of 523,135 square feet. A number of major modifications are required to utilize space vacated by the Postal Service. The work to be accomplished includes the installation of ceilings, doors, and lights, and the demolition and installation of partitions. The hearing, ventilating, and air conditioning system will be modified, and, to meet safety code requirements, an automatic sprinkler system will be provided in all renovated space. An emergency generator system will be installed. Special use space, such as Bankruptcy Courtrooms, a Military Entrance Processing Station, and computer rooms will be installed to suit tenant needs.

Texas, San Antonio, U.S. Post Office and Courthouse 8,154,000

This five-story structure was completed in 1937 and acquired from the Postal Service in 1979. It is located in the Alamo Plaza Historic Area, has a gross area of 258,841 square feet and provides an occupiable area of 143,287 square feet. This project provides for the conversion of Postal Service space to office space and the preparation of vacant space for tenancy. Agencies will be relocated from leased space to the renovated office space. Fire and life safety features, including sprinklers, emergency lighting and power, and fire doors will be provided. This project was included in GSA's FY 1987 budget request but was deleted by amendment in order to make resources available for mandatory operating budget requirements.

Virginia, Arlington, Federal Building No. 2 4,080,000

This building was constructed in 1941 and has a gross area of 1,023,346 square feet and an occupiable area of 722,490 square feet. The project provides for the replacement or repair of windows, the replacement of exterior doors, and upgrading of the electrical system. This project was included in GSA's FY 1987 budget submission but was deleted in the FY 1987 continuing resolution.

Virginia, Arlington, Pentagon, Phase II 8,080,000

The Pentagon was constructed in 1942 and has an occupiable area of 3,796,308 square feet and a gross area of 6,546,360 square feet. This is the second phase of a two phase project having an estimated total cost of $15,080,000. The purpose of this project is to repair and replace existing roofs and remodel interior space.

District of Columbia, Various Buildings, Polychlorinated Biphenyl Abatement, Phase II 17,810,000

The Environmental Protection Agency requires that high secondary voltage network transformers containing PCB coolant be removed from use by October 1, 1990. This project will provide for the removal from various Federal buildings of Government-owned transformers containing PCBs. This is the second of a three-phase program estimated to cost $56,374,000. The forest phase ($18,582,000) was funded in FY 1987 and the third phase ($18,624,000) will be requested in 1989. (Total line item authority for this activity is $19,168,000. $1,358,000 for PCB removal is included in the authorization for repairs and alterations to the Washington, DC, Central Heating Plant project.)

A list of the buildings and estimated costs follows:

James V. Forrestal Building	2,578,000
General Services Administration Regional Office Building	1,036,000
Agriculture Administration Building	530,000
Agriculture South Building	3,360,000
Courthouse	1,887,000
Frances Perkins Federal Building	1,644,000
General Services Administration Headquarters	929,000
Department of the Interior	1,858,000
J. Edgar Hoover Federal Building	1,627,000
New Post Office	1,006,000
Veterans Administration	1,355,000

Section 4(b)(2) authorizes $167,427,000 for repair and alteration projects with construction costs of less than $500,000 per project.

International Cultural and Trade Center on Federal Triangle Site

Section 4(c) authorizes $115,036,000 for design and construction services, of which $800,000 is made available for the design and planning of the International Cultural and Trade Center on the Federal Triangle site, Pennsylvania Avenue, Washington, DC.

Section 4(d) authorizes $1,191,900,000 in fiscal year 1988 for the rental of building space.

Section 4(e) authorizes $845,384,000 for fiscal year 1988 for real property operations. This category includes cleaning, routine maintenance, utilities, and protection in Government-owned buildings and some or all of these costs in leased buildings, as specified in the lease agreements.

Section 4(f) authorizes $48,014,000 in fiscal year 1988 for program direction. This function encompasses the overall management and administration of the programs of the Public Buildings Service.

Section 4(g) authorizes $133,105,000 in fiscal year 1988 for payment of principal, interest, taxes and any other required obligations related to facilities acquired pursuant to both the Public Building Purchase Contract Act of 1954 (40 U.S.C. 356) and the Public Building Amendments of 1972 (40 U.S.C. 6024). This amount is fixed by previous contractual commitments of the Government that extend for some time into the future. The acts cited above enabled GSA to enter into long-term borrowing arrangements in the private lending markets—in a few cases, through the Federal Financing Bank—to permit construction of a backlog of public buildings projects that has been approved but unfunded when the laws were enacted. Under these purchase contracts, the Government makes regular payments on the loans, and title to the buildings passes to the Government at the end of the long-term payment periods.

Section 5

Section 5(a) provides that funds appropriated under section 4(a) and 4(b) for construction, renovation, repair, or alteration are to remain available for obligation and expenditure without regard to fiscal year limitations, provided that an appropriation for such projects is received during the same year they are authorized and covers their total estimated costs. In order for authorized funds to remain available, the legislation also requires that such projects be commenced in the same fiscal year for which funds are made available.

Section 5(b) provides that commencement of design for projects authorized by sections 4(a) and 4(b), whether prior to or in the same fiscal year for which funds are made available, satisfies the requirements of section 5(a).

Section 6

Section 6 provides authority for GSA to undertake emergency renovation, alteration, and repair projects or enter into emergency leases not previously authorized. Ten percent of the funds made available for renovations, repairs, and alterations under section 4(b) could be reprogrammed to emergency needs not anticipated when the Administrator submitted his annual program and budget request. Likewise, funds available under section 4(d) may be utilized for lease requirements which could not have been so anticipated. The Committee does not expect that funds would ever be reprogrammed from one subsection in order to meet the needs normally funded through the other subsection. For example, funds should not be reprogrammed from (b) to undertake a lease. Nor should funds be reprogrammed from (d) to renovate, alter, or repair buildings. On the other hand, any funds available within the various

components of a subsection may be utilized to meet these respective needs.

The legislation requires that an explanatory statement be submitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives which shall include reasons why such project or lease cannot be deferred for authorization in the next succeeding fiscal year.

Section 7

Section 7 authorizes the Administrator of the General Services Administration to enter into a contract for construction of a building in Oakland, California, on a site donated by the city of Oakland. The contract will provide for lease or installment payments over a period of 30 years. Title to the building shall vest in the United States at or before the expiration of the contract term. The cost of construction shall not exceed $141,700,000.

Section 8

Section 8 provides that $4,000,000 from funds appropriated for the construction of a Federal building-courthouse in Youngstown, Ohio, and $5,200,000 from funds appropriated for real property operations for fiscal year 1987 are to be made available for repairs and alterations of the Chet Holifield Federal Building in Laguna Niguel, California.

Funding of the construction of a Federal building-courthouse in Youngstown, Ohio, in the amount of $10,062,000 was appropriated by Congress in fiscal year 1983. A site has been purchased, but construction of the project was delayed while the need for additional courtroom space in Youngstown was considered. As a result of recent Congressional hearings and information provided by the U.S. Courts, GSA now proposes to reduce the scope of the project and proceed with construction of a smaller building at a total estimated cost of $6,062,000.

GSA currently estimates a $5,200,000 surplus in the real property operations account for fiscal year 1987. Stability of fuel costs and more moderate rate increases than expected have resulted in utility expenditures that are lower than anticipated. This surplus, as well as funds no longer required for Federal construction in Youngstown, will be transferred to the Laguna Niguel repair and alteration project.

The Chet Holifield Federal Building was acquired by GSA in 1974. It contains almost 603,000 square feet of occupiable space, much of which was originally designed for light industrial use and has never been finished for long-term occupancy. Offices of two major Federal agencies—the Internal Revenue Service Automated Collection Service and the Western Regional Office of the Immigration and Naturalization Service of the Department of Justice are scheduled to move into this building. Moving these tenants in and reorganizing currently occupied space will improve the office utilization from 184 to 140 square feet per person, maximizing the use of this valuable government asset and avoiding the costs associated with leasing space in the commercial market.

HEARING

On June 17, 1987, the Committee held a hearing on this measure and on the policies and fiscal year 1987 program of the General Services Administration. Testimony was received from Terence C. Golden, Administrator of the General Services Administration, and the Honorable Charles L. Brieant, Chief Judge of the United States District Court for the Southern District of New York.

COST OF LEGISLATION

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 7, 1987.

Hon. QUENTIN N. BURDICK,
Chairman, Committee on Environment and Public Works, Senate, Dirksen Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate for the Public Buildings Authorization Act of 1987.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,

Sincerely,

ROBERT F. HALE
(For Edward M. Gramlich, Acting Director).

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE, JULY 7, 1987

1. Bill number: Unassigned.
2. Bill title: Public Buildings Authorization Act of 1987.
3. Bill status: As ordered reported by the Senate Committee on Environment and Public Works, June 17, 1987.
4. Bill purpose: This bill authorizes the appropriation of $2.9 billion in receipts of the Federal Buildings Fund to finance activities of the Public Buildings Service of the General Services Administration.
5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1988	1989	1990	1991	1992
Authorization level	2,933				
Estimated outlays	2,536	331	66		

The costs of this bill fall within budget function 800.

Basis of Estimate: This estimate assumes that the amount authorized will be appropriated. Estimated outlays are based on historical spending patterns.

6. Estimated cost to State and Local Governments: None.
7. Estimate comparison: None.
8. Previous CBO estimate: None.
9. Estimate prepared by James Hearn.

10. Estimate approved by C.G. Nuckols, for James L. Blum, Assistant Director for Budget Analysis.

ROLLCALL VOTES

Section 7(b) of rule XXVI of the Standing Rules of the Senate and the rules of the Committee on Environment and Public Works require that any rollcall votes are to be announced in reports accompanying legislation. During the Committee's consideration of this measure, no rollcall votes were taken. The bill was ordered reported by voice vote.

EVALUATION OF REGULATORY IMPACT

Section 11(b) of rule XXVI of the Standing Rules of the Senate requires the Committee to evaluate the regulatory impact of the reported bill. The bill primarily affects the internal operations of the Government, therefore it has no new regulatory implications.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the committee reports that the bill makes no changes in existing law.

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